



**MINUTES
CITY COUNCIL MEETING
December 17, 2019**

CALL TO ORDER

The meeting was called to order at 6:30 pm.

Present: Mayor: Charlie Miner; Council: Deirdre Kvale, Jahn Dyvik, and Tom Skjaret

Staff Present: City Administrator: Scott Weske; and City Clerk: Jeanette Moeller

Absent: Council: Michelle Jerde (with prior notice)

PLEDGE OF ALLEGIANCE

MAYOR'S COMMENTS - LONG LAKE NEWS, MEETING REVIEW AND UPDATES

Mayor Miner offered the following comments and updates:

Mayor Miner offered condolences on the unexpected passing of Gary Kubat. Mr. Kubat was President of the Long Lake Area Chamber of Commerce, and was employed as the Director of Communications for the Orono School District. He noted that his thoughts are with Mr. Kubat's family, Orono Schools and the Chamber of Commerce at this time.

Prior to the City Council meeting, the EDA met and the primary topic of conversation focused on Virginia Avenue. The City Attorney provided an update on work by his office to correct a title restriction on the City owned Virginia Avenue parcel. The EDA also decided and invite currently interested developers to present ideas and concepts for the site at their January meeting.

The annual holiday tree lighting ceremony sponsored by the Chamber of Commerce held recently on Saturday, December 7 was successful; and though a few light strands were not working, the tree looked good. Mayor Miner noted Council members Kvale and Jerde were in attendance as well, and he thanked the individuals who put this year's event together.

Also on Saturday, December 7, the LLFD Slow Burn Brigade held their annual holiday food and toy drive event. Lots of families visited and took photos with Santa, and brought donations of food and toys to benefit the WeCAN food shelf in Mound.

Mayor Miner observed that the holiday banners and lighting downtown looked great, and conveyed appreciation to Public Works for getting downtown looking so well again this year.

APPROVE AGENDA

A motion was made by Skjaret, seconded by Dyvik, to approve the Agenda as presented. Ayes: all.

CONSENT AGENDA

The Consent Agenda consisted of:

- A. Approve Minutes of December 3, 2019 City Council Work Session
- B. Approve Minutes of December 3, 2019 City Council Meeting

- C. Receive Minutes of November 21, 2019 Economic Development Authority Meeting
- D. Approve Vendor Claims and Payroll
- E. Adopt Resolution No. 2019-59 Appointing (Reappointing) Resident Lori Goodsell to the Position of Economic Development Authority Member Serving a Term Effective January 2020 Through December 31, 2021
- F. Adopt Resolution No. 2019-60 Appointing (Reappointing) Resident Anita Secord to the Position of Planning Commission Member Serving a Term Effective January 2020 Through December 31, 2023
- G. Adopt Resolution No. 2019-61 Conditionally Appointing Clifford "Rusty" Mayes to the Position of Paid On-Call Firefighter for the City of Long Lake Fire Department
- H. Adopt Resolution No. 2019-62 Appointing Public Works Maintenance Worker Mike Belland as a Regular Employee; and Approving Changing Belland's Salary to Step 2 of the 2019 Salary Plan
- I. Approve Ordinance No. 2019-07 Adopting the 2020 Fee Schedule for the City of Long Lake, and to Direct Staff to Publish a Summary Ordinance

A motion was made by Dyvik, seconded by Skjaret, to approve the Consent Agenda as presented.

Council member Skjaret congratulated Public Works employee Mike Belland on the successful completion of his probationary period and appointment to regular employee status.

Ayes: all.

OPEN CORRESPONDENCE

No one appeared to address the City Council during Open Correspondence.

BUSINESS ITEMS

Final 2020 Payable Levy and 2020 Budget – Adoption of Final Payable 2020 Levy, City Budget, Capital Improvement Program, and Pay Plan Resolutions

Weske reported that the proposed 2019 final operating levy of \$1,013,029 coupled with a required debt service levy of \$105,556 produces a total final levy of 1,118,585 or \$54,006 or 5.07% increase compared to the adopted total 2019 payable levy of \$1,064,579. The overall increase of \$54,006, accompanied by a 5.03% increase in gross tax capacity, resulted in no change of the local City tax rate for 2020. He clarified the difference between the 5.07% budget amount increase versus the 5.03% increase in gross tax capacity. Weske referred to the 2020 Budget Overview provided to Council members in their meeting packets and indicated that 2020 General Fund budget factors include accounting for an 11% increase in employee health insurance premiums; contract Police protection services from the City of Wayzata increasing \$6,514 to \$296,514 in 2020; and 2020 workers' compensation insurance rates increasing 4%. He noted that the 2020 Capital Improvement Program (CIP) provided for consideration of approval totals \$7,000, and includes funding for updating the online City Code database and the City's share to upgrade a pump on a fire engine.

Weske responded to Council member questions and provided additional clarification, explaining that:

- Referring to expense and revenue tracking reports, second half property taxes have not yet been disbursed, so that revenue has yet to be received by the City and therefore could not be reflected in current reporting.
- The audit process will result in adjustment entries being made to reallocate expenses to the correct year. As an example, he recalled that when a recent fire truck purchase was made, the truck was paid for in a year different than the year it was budgeted for. Adjusting entries likely

to be entered in or around April will address any line items impacted by these types of purchases.

- The 2020 budget proposed will allow for an approximately \$5,000 surplus to add to general fund reserves. He pointed out that at this time, generally, City utility rates are not generating enough revenue to fully support operations, and further discussion of utility rates will be presented in 2020.
- "Debt service" captures money from the tax base as revenue to be used specifically to pay for bond payments. For every street improvement project involving bonding and special assessments, as benefiting property owners pay their taxes including their portion of assessments, that money is allocated into a debt service fund. The City no longer has to levy for those bonds that reach the end of their terms and debt life.
- Weske had recently met with Abdo, Eick & Meyers to discuss long term financial planning preparation, and the firm will be bringing forth some recommendations to help make the City's accounting of fund reserves more readily clear.

Council and staff also discussed restricted fund balances, and funds available for improvements such as replacement of fencing at Nelson Lakeside Park.

Council member Dyvik reflected that he was pleased at the work the City's been able to do in order to hold the tax rate constant. He added that he fully understands that as the City takes on new staff and insurance premiums increase, operations can't hold constant, but the City's tax rate could be held constant. He noted that redeveloping properties increasing in value may generate another relief in future for property owners.

Council member Kvale questioned the 3% salary range move proposed for City staff, and Weske confirmed the 3% range move had been included in 2020 proposed budget materials since August. Weske also responded to Council member Kvale's inquiries regarding the City's insurance benefits and overall compensation for employees, and indicated the City works with a broker through the League of MN Cities who annually compares premiums packages from insurance companies for the City's consideration. City Clerk Moeller added that there was a period of a couple years when the City's employees were on a wage freeze. Weske confirmed cost of living adjustments for staff have been evaluated on an annual basis and have differed from year to year.

A motion was made by Skjaret, seconded by Dyvik, to adopt Resolution No. 2019-55 establishing the final tax levy collectible in 2020; adopt Resolution No. 2019-56 establishing the final 2020 total City budget; adopt Resolution No. 2019-57 establishing the 2020 Capital Improvement Plan (CIP); and adopt Resolution No. 2019-58 establishing the 2020 Pay Plan. Ayes: all.

Reschedule Comprehensive Plan Update Work Session Meeting

Moeller indicated that staff is requesting the City Council consider rescheduling the Comprehensive Plan Update Work Session meeting to an alternate date on either Thursday, January 9 or Thursday, January 23 in order to allow for more time for discussion. Planning Consultant Imihy had reached out to the Metropolitan Council sector representative who has been working with the City through the Comprehensive Plan update process, Jake Reilly, and he had indicated he would be available on the earlier mentioned dates to participate in the work session meeting. Staff believes his attendance would offer a great opportunity for the City Council to ask questions and receive responses directly from Metropolitan Council with regard to density requirements and other Comprehensive Plan related concerns; however, staff and Planning Consultant Imihy believe that with Mr. Reilly's participation, it would be better to hold the work session meeting on a night where Council members

would not be locked into meeting for only an hour and a half prior to a regular Council meeting. Moeller noted that WSB is planning activities and discussion to help work session attendees understand and have ownership in the Comprehensive Plan process, and they are likely to be providing refreshments as well.

It was the consensus of Council members present that the Comprehensive Plan Update Work Session meeting could be rescheduled to Thursday, January 23 beginning at 5:00 pm.

With direction received, Moeller stated she would follow up with Planning Consultant Imihy and send out a message inviting participants from Council, Planning Commission, and the Comprehensive Plan Update Task Force once Mr. Reilly's attendance has been officially confirmed.

OTHER BUSINESS

Holbrook Park Rink Attendant Hiring – Council member Kvale questioned whether there had been any applicants for the rink attendant position as of yet. Moeller responded that staff had recently increased publicizing of the position opening, posting fliers at various bulletin board locations. She noted that she had been scheduled to meet with an Orono Youth Hockey representative on multiple occasions, however, the representative had failed to appear for three meeting attempts in a row. At this time, should Orono Youth Hockey be interested in ice time at Holbrook Park, staff would support renting use of the rink on dates/times not negatively impacting public open skate times. Rental fees could be used towards increasing the posted rink attendant wage rate.

Schedule TIF Presentation for Council – Council member Dyvik asked that staff pursue scheduling the City's TIF consultant to provide a TIF educational presentation for Council at their January 7 work session, so that Council may learn more about whether and how a TIF arrangement could be beneficial to the City.

Merry Christmas and Happy Holidays – Council member Dyvik wished everyone a merry Christmas and happy holidays.

Technical Difficulties at City Hall, Closure on Friday, 12/20 – City Clerk Moeller reported that during the week prior to the meeting, City Hall's server experienced a drive failure and emergency repairs were able to be made in time for staff to complete preparing materials for the Council's meeting packets; however, the server requires additional repairs and both drives need replacement. She advised Council that repairs have been scheduled for Friday and Saturday, December 20 and 21, and she'll be delivering the server to the City's IT services provider after work on Thursday, December 19. City Hall will be closed on Friday while the server is off site, and will be reopening as regularly scheduled on Monday morning. Moeller also clarified that the expense of both the emergency repair and server rebuild were very cost effective, with the total service bill estimated not to exceed \$500.

Public Works Weekend Work – Mayor Miner noted he had observed Public Works staff working at sites over the weekend. Weske responded that there had been a watermain break in the Watertown Road lift station area as well as a sewer backup in a different location. Regarding the watermain break, he confirmed the watermain had not been replaced during the Watertown Road reconstruction project, and clarified that although televising at the time had shown the line was not in need of repair, televising is unable to show the condition of bolts. Rusty bolts had deteriorated and caused the break, and anticipating bolts along the line may be in similar condition, it would not be unusual to see a future break take place within 20 feet in either direction of the recent break's location. Mayor Miner noted that the example of the recent break may be something to consider

when contemplating future street reconstruction projects. Responding to Council member Kvale's question relative to how the sewer backup was repaired, Weske indicated that Public Works had borrowed Wayzata's jetter consistent with the terms of the shared services agreement between the two cities which enabled them to flush the backup clear.

ADJOURN

Hearing no objection, Mayor Miner adjourned the meeting by general consent at 7:32 pm.

Respectfully submitted,

Jeanette Moeller
City Clerk